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REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

Jurisdictional and procedural mechanisms for the proper management of resources and funds of the United Nations

Report of the Secretary-General

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I. INTRODUCTION

1. In its resolution 48/218 of 23 December 1994, entitled "Review of the efficiency of the administrative and financial functioning of the United Nations", the General Assembly decided to establish an ad hoc intergovernmental working group of experts in the legal and financial fields which would work in consultation with the relevant existing bodies and submit a report to the General Assembly with specific recommendations no later than at its forty-ninth session. The Working Group was established to study the establishment of a new jurisdictional and procedural mechanism or of the extension of mandates and improvement of the functioning of existing jurisdictional and procedural mechanisms to address alleged cases of fraud in the United Nations in an impartial manner, in accordance with due process of law and full respect for the rights of each individual concerned, especially the rights of defence.

2. In the same resolution, the General Assembly requested the Secretary-General to seek the views of Member States on that issue, and to bring those views to the attention of the Ad Hoc Intergovernmental Working Group of Experts as well as to the attention of the General Assembly.

3. Pursuant to resolution 48/218, the Secretary-General addressed a note verbale on 3 February 1994 to all States, requesting their views on the issue. As at 21 March 1994, 12 Governments had replied to the note verbale of the Secretary-General. Replies and notifications received subsequent to that date will be issued as addenda to the present report.

II. REPLIES RECEIVED FROM GOVERNMENTS

ARGENTINA

[Original: Spanish]

[1 March 1994]

1. The Argentine Republic is of the opinion that it is neither necessary nor advisable to set up new jurisdictional mechanisms. Establishing another organ to deal with such cases would be inadvisable not only for reasons of functional and financial economy but also because it would not provide a solution to the type of problems that arise when staff members of the United Nations commit acts of fraud. The Argentine Government considers that these problems call for an expansion and improvement of existing jurisdictional mechanisms. In addition, it believes that procedures for cooperation between Member States and the Organization and also among Member States should be strengthened.

2. Expanding the terms of reference and improving the jurisdictional and procedural mechanisms existing in the United Nations would mean:

(a) Expanding the competence <u>ratione materiae</u> of the United Nations Administrative Tribunal (and, presumably, changing its name), so as to enable it to determine whether there had been any fraud or, more broadly, any violation of

the financial and accounting regulations of the Organization and to identify and punish those responsible. This determination could, indeed, lead to disciplinary measures imposed by the Tribunal itself and also, when the scope or nature of the acts so warranted, to civil and criminal proceedings in national courts with a view to trying to recover the misappropriated funds and sentencing the guilty parties. Bearing in mind that the Administrative Tribunal was established by a General Assembly resolution, and that its Statute was subsequently modified by resolutions of that same organ, it is the Argentine Government's understanding that expansion of the Administrative Tribunal's competence and further modification of its Statute would also have to be effected by means of a General Assembly resolution;

(b) Given the nature of the new functions to be assigned to the Administrative Tribunal and the grave civil and criminal consequences which might, from time to time, ensue for those responsible, it would probably be necessary to make substantial procedural changes, in order to ensure that the defendant's rights were properly safeguarded. In particular, consideration should be given to the possibility of providing for a second hearing, which is essential to any modern judicial system. It is worth recalling that under the present system, decisions of the Administrative Tribunal can be reviewed only by means of an advisory opinion of the International Court of Justice and that the only organ which can request such an opinion is the Committee on Applications for Review of Administrative Tribunal Judgements. Thus the possibility of review is dependent on the decision of the Committee and the Committee is not, strictly speaking, a real jurisdictional organ. In any event, the International Court of Justice was established to settle disputes between States, and does not appear to be the most appropriate organ for hearing cases of fraud involving individuals.

3. As we already pointed out, some kinds of acts could lead to civil and criminal proceedings in national courts with a view to trying to recover funds and sentencing the guilty parties, and this would necessitate establishing specific mechanisms of cooperation with Member States, namely:

(a) In civil matters, States would have to recognize the decisions handed down by jurisdictional organs of the United Nations. Accordingly, national courts would confine themselves to seeing to it that the funds were recovered, without reviewing the material aspects of the case, thereby avoiding difficulties concerning the relationship between domestic law and the law of the Organization. This recognition of the decisions of the Organization as final could be achieved through bilateral agreements between the Organization and each Member State or by means of a multilateral convention. The Argentine Government is inclined to favour a multilateral convention so as to speed up the negotiating process and ensure uniformity of treatment of this issue;

(b) In order to secure enforcement of the judgements, consideration should be given to the possibility that States parties might agree, in the same multilateral instrument, that their national courts should adopt such cautionary measures as the United Nations Administrative Tribunal might request. In addition, the multilateral convention should include a judicial cooperation agreement which would facilitate judicial assistance between States parties with respect to acts committed by staff members of the Organization;

(c) With regard to criminal matters, it does not seem too realistic to aspire to a uniform system whereby Member States could accept the decisions of the United Nations Administrative Tribunal as the basis for passing sentence on the perpetrators. Initially, it might be necessary to limit the obligations of States to a generic duty to cooperate with the Organization in order that the persons responsible might be punished.

CHINA

[Original: English]

[28 February 1994]

The Chinese Government shares the concerns expressed by some Member States about the financial irregularities which have occurred from time to time within the Organization and believes that there is still room for further improvement in the financial functioning of the Organization.

As the United Nations is still in the process of reform and restructuring, the primary purpose of which is to streamline its structure and improve its efficiency, it is imperative that efforts should be made to avoid setting up duplicating and overlapping organs. The Chinese Government therefore stands for the extension of the mandates and improvement of the existing jurisdictional and procedural mechanism such as the Administrative Tribunal of the United Nations.

The Chinese delegation has made its contribution to the debate on the issue during the forty-eighth regular session of the General Assembly. The Chinese Government will instruct its delegates to continue to work with all the delegations so as to bring the proposed discussion on the issue to a consensus.

COLOMBIA

[Original: Spanish]

[3 March 1994]

1. DISCIPLINARY ACTION

The establishment and convening of the Group of Experts referred to in General Assembly resolution 48/218 should be expedited.

On the basis of the Group's recommendations it may be determined whether the most effective way to proceed is to expand the role of the Administrative Tribunal or to establish new machinery. In any event the Group of Experts should contribute to:

(a) A more detailed definition of the offences which it is intended to combat;

(b) The establishment of more effective machinery to detect and investigate presumed offences;

(c) The establishment of a stricter system of penalties, including the use of the pensions of culprits to recover misappropriated funds and/or the use of financial penalties against culprits.

2. CRIMINAL PROSECUTION

The Secretariat, in document A/48/572, has failed to respond expeditiously to the request made by the General Assembly in paragraph 13 of its resolution 47/211 of 23 December 1992. Perhaps with the support of the Group of Experts, specific proposals could be formulated allowing for the use of national criminal proceedings against those guilty of fraud. Two approaches should be explored: for the culprit to be tried by the country where the offence is committed, or by the country of which he or she is a national. In both cases it would be necessary to waive the immunity enjoyed by international civil servants. To this end the bilateral agreements that each country has with the United Nations could be amended.

FRANCE

[Original: French]

[2 March 1994]

I. AIDE-MEMOIRE ON THE ESTABLISHMENT OF A BUDGETARY AND FINANCIAL DISCIPLINARY TRIBUNAL AT THE UNITED NATIONS 1/

1. There are few cases of misappropriation of funds, breach of accounting rules, fraud or corruption at the United Nations, but they undermine the Organization's image and credibility, particularly since they are widely publicized by the media.

2. The General Assembly has demonstrated its concern over the instances of misuse or fraudulent use of resources to which the Board of Auditors has drawn attention and, in its resolution 47/211, it requested the Secretary-General to make proposals to it on:

(a) Establishing legal and effective mechanisms to recover misappropriated funds;

1/ This aide-mémoire has been submitted by the French authorities merely as a proposal for discussion by the Working Group and for the consideration of delegations.

(b) Seeking criminal prosecution of those who have committed fraud against the Organization.

3. It is in this context that France has proposed the establishment of a budgetary and financial disciplinary tribunal at the United Nations.

4. The report of the Secretary-General (A/48/572) indicates the limitations of existing procedures:

(a) Internal measures are exclusively administrative. Deductions may be made from salaries, wages and other emoluments for indebtedness to the United Nations (staff rule 103.18). This is the method generally employed by the Organization in dealing with such matters. However:

(i) This approach assumes that the staff member is still in service with the Organization; and that

(ii) Steps to attach pension benefits have not been successful.

The recovery of monies owed is not considered a disciplinary measure (staff rule 110.3). Under article X of the Staff Regulations, disciplinary measures may be imposed on staff members whose conduct is unsatisfactory. However:

- Disciplinary action in the area of financial management cannot be left to the sole discretion of the administration, which seldom takes disciplinary action against staff members in this area;

- The visibility of any such disciplinary measure is limited.

Neither the Administrative Tribunal of the United Nations nor the Administrative Tribunal of the International Labour Organization (ILO) is competent to hear cases which employing organizations might bring against their staff members.

Actions outside the United Nations fall into two categories:

(a) Civil actions for recovery: as noted in the report of the Secretary-General (A/40/471), while in principle an employing organization can initiate proceedings against a staff member or a former staff member in a national court to recover monies that it cannot deduct from the staff member's emoluments, international organizations have shown little interest in involving national courts in the settlement of disputes relating to their internal functioning. The report of the Secretary-General (A/48/572) notes that a national court may find difficulties in applying internal rules of an organization which do not have the force of law in that national legal system. Lastly, civil actions assume that the staff member being sued is in the territory of the country where the fraud was committed;

(b) Criminal actions: these also assume the presence of the staff member in the territory of the country in question, and raise problems of proof. In any event such actions fall within the sovereignty of the State.

5. The solution proposed by France would allow the Organization to initiate proceedings against staff members suspected of fraud or breaches of the regulations and rules of the Organization and to impose disciplinary measures in the form of fines. The establishment of a new tribunal within the United Nations is justified on the following grounds:

(a) An internal tribunal must be available to the Organization for actions against its staff members, thus minimizing the difficulties attaching to external action. National civil courts would have to be involved only for the enforcement of a judgement for recovery;

(b) Any internal tribunal must be ad hoc. It has not proved possible to extend the jurisdiction of the Administrative Tribunal. To reopen this question, consideration of which was repeatedly postponed by the General Assembly and which the Fifth Committee decided to close, would probably have the same outcome, whereas a clear political signal must be given quickly. Further, there is the question of the specialism of the judges who would need to pronounce on breaches of Financial Regulations and Rules: such tribunals are, at least in part, composed of senior judges specializing in financial matters;

(c) The disciplinary tribunal would hand down only disciplinary penalties, which would be cumulative and carry criminal penalties, the latter falling exclusively within the competence of national courts.

In order to facilitate civil actions for recovery and criminal prosecution in the competent national courts, the establishment of the tribunal could be accompanied by the conclusion of agreements between Member States and the United Nations. These agreements would allow the Organization to refer matters to national courts on the basis of judgements delivered by the tribunal.

6. The tribunal would comprise six members selected by the General Assembly from a list of senior judges specializing in financial matters approved by the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

They would serve for a non-renewable six-year term.

The tribunal would comprise two chambers with three judges each.

Prosecutorial functions would be discharged by the future Inspector-General.

The reporting judges would be selected by the tribunal from a list of national experts approved by ACABQ. Their number would vary according to the case and they would be selected with due regard for geographical distribution.

Secretariat services for the tribunal would be provided by the secretariat of the Administrative Tribunal.

7. The Disciplinary Tribunal would be competent to deal with breaches of the Financial Regulations and Rules and of the Staff Rules of the United Nations, which contain specific provisions intended to protect the Organization against

any financial loss that might result from the breach, by a staff member, of the rules and regulations or related administrative instructions:

- Every official of the United Nations is responsible to the Secretary-General for the regularity of the actions taken by him or her in the course of his or her official duties. Any official who takes any action contrary to the Financial Rules, or to the administrative instructions issued in connection therewith, may be held personally responsible and financially liable for the consequences of such action (financial rule 114.1 and staff rule 112.3);

- The system of financial control at the United Nations is based on the principles of delegation of authority (financial rules 110.4, 108.9 and 110.16) and separation of authority and delimitation of responsibility (between certifying and approving officers);

- Provisions relating to personal responsibility are contained in the financial rules relating to losses of property, cash or negotiable instruments and the writing-off of such losses (financial rules 109.5, 110.14, 110.15);

A standing instruction of the United Nations Controller provides that staff members are bound to inform the Controller of any cases of fraud, or presumptive fraud, involving misuse of the funds of the Organization of which they are aware.

These provisions could be supplemented to allow the tribunal to deal with breaches relating to any improper financial or other benefit granted to another, or to oneself, or any attempt to grant any such improper benefit.

It should be noted that the tribunal would be competent to deal with breaches involving an irregular practice and a financial loss for the Organization or an improper financial benefit secured for an individual.

Those committing breaches would be absolved from responsibility if they could show proof of prior written instructions from their superiors. The issuer of the order would then be responsible instead.

As in the case of the Administrative Tribunal, the jurisdiction of the tribunal would be limited to staff members of the United Nations Secretariat. With the exception of the Secretary-General, all staff members of the Organization could be the subject of proceedings before the tribunal.

8. Cases could be referred to the tribunal only by the following authorities:

- The Secretary-General of the United Nations;

- The Inspector-General of the United Nations, once the post has been established;

- The Board of Auditors.

Referral must take place within five years of the offence, or the discovery thereof, failing which action would be time-barred.

9. The prosecuting official would decide, after an investigation, whether there were grounds for pursuing the case and, if so, would inform the staff member's supervisor. He would transmit the file to the staff organ or organs for an opinion. The staff member could be assisted by counsel of his or her choice.

Action taken in the disciplinary tribunal would not be a substitute for the disciplinary authority of the Secretary-General.

10. The only penalties which could be imposed by the tribunal would be fines, which are included among the disciplinary measures applicable to United Nations staff members under staff rule 110.3.

These fines could be determined by a modification of the Staff Rules (they could amount to up to double the annual salary in the case of any improper financial or other benefit granted to another or any attempt to grant such benefit). Provision could also be made for the amount of the fine to be left to the discretion of the judges.

Judgements handed down by the tribunal would have the authority of res judicata and could serve as a basis for proceedings to recover the monies involved or for criminal proceedings before national courts.

11. With regard to appeals procedures, provision might be made for an appeal to the chamber of the tribunal which did not hear the case in first instance. Moreover, appeals on a point of law or applications for review would have to be initiated before the tribunal.

12. The tribunal would meet twice a year for a period of 15 days, provided that there were cases which justified holding a session.

The reporting judges would exercise their functions, as necessary, for longer periods, possibly from six to eight months, a year.

The additional costs for which the Organization would be responsible would be limited to the payment of travel expenses and per diem for the members of the tribunal and the reporting judges.

II. THE BUDGETARY AND FINANCIAL DISCIPLINARY TRIBUNAL IN FRANCE 2/

Although the example of the French Budgetary and Financial Disciplinary Tribunal (Cour de discipline budgétaire et financière) cannot be applied absolutely, or at least directly, to the legal and administrative context of the United Nations, some information on the subject might be useful.

Since 1950, when the Budgetary and Financial Disciplinary Tribunal began to function, until the end of 1970, only 69 cases were referred to it (44 by the Cour des comptes (State Audit Office) and 11 by the Commission de vérification des comptes des entreprises publiques (Commission responsible for auditing the accounts of public enterprises)). Of these 69 cases, 44 were dismissed and 25 judgements were handed down (including four orders of nolle prosequi). It was, in fact, a new institution. In order to improve the conditions in which it functioned, an Act adopted on 13 July 1971 introduced various amendments, including a better definition of offences and an expansion of the various categories of officials under the Tribunal's jurisdiction.

Since 1971, more than 300 cases have been referred to the Budgetary and Financial Disciplinary Tribunal. The number of cases referred to it has increased year by year, amounting at present to some 20 cases a year. Approximately 75 per cent of the cases are referred by the Cour des comptes.

A. General description of the Budgetary and Financial Disciplinary Tribunal

1. Mandate and jurisdiction

The Budgetary and Financial Disciplinary Tribunal was established in 1948 to deal with offences committed against budgetary and financial law by officials of the State and, since 1963, of other public authorities.

(a) Punishable offences

Such offences result in general from:

- Disregard or violation of the rules governing the recording of income and expenditure or the administration of the property of the State or of other public agencies (arts. 2 to 5 of the Act of 1948);

- Disregard of the obligations incumbent on an administrator, in cases when the latter has secured, or attempted to secure, an improper benefit for a third party resulting in a loss sustained by the State or agency administered (art. 6).

2/ This paper has been submitted by the French authorities with the sole intention of providing information to the members of the Working Group and delegations.

The Act also makes it mandatory for State finance officers to disburse funds or, failing that, for the accountants to pay the sums required under a judgement of the Tribunal; in the case of a local authority or a public enterprise, the Act makes it mandatory for the finance officer or, failing that, the supervisory authority, to disburse automatically the sums which an individual has been ordered to pay. Failure to fulfil these obligations is punishable by the penalties specified in article 5 of the Act of 1948.

(b) Persons subject to the jurisdiction of the Tribunal

The competence of the Budgetary and Financial Disciplinary Tribunal has been gradually expanded. The following are subject to its jurisdiction:

- The members of a minister's departmental staff;

- Officials or agents of the State or of local authorities or of their groups;

- Representatives, administrators or officials of agencies subject to the control of the Cour des comptes (including public institutions, social security agencies, subsidized agencies and public enterprises) or of the regional audit offices.

Persons de facto exercising the functions of those so designated are also subject to the jurisdiction of the Tribunal.

Proceedings may also be initiated before the Budgetary and Financial Disciplinary Tribunal against supervisory officials who have approved irregular decisions.

Members of the Government, mayors and the chairmen of general or regional councils, as well as the vice-chairmen and other members of those councils to whom they have delegated the exercise of part of their functions are outside the jurisdiction of the Budgetary and Financial Disciplinary Tribunal.

2. Organization and functioning

(a) Composition

The Budgetary and Financial Disciplinary Tribunal has the structure of a court or tribunal.

It is composed of:

- The First President of the Cour des comptes - President;

- A President of a section of the Conseil d'Etat (Council of State);

- Vice-President;

- Two State counsellors;

- Two senior counsellors attached to the Cour des comptes.

The prosecutorial functions for the Tribunal are carried out by the Procureur général (Prosecutor) attached to the Cour des comptes. The reporting judges are appointed from among the members of the Conseil d'Etat or of the Cour des comptes. The Tribunal has a registrar, who is sworn in. Its seat is in the premises of the Cour des comptes.

(b) Referral to the Tribunal and procedure

(i) The following are competent to refer cases to the Tribunal, through the office of the Procureur général:

- The President of the National Assembly;

- The President of the Senate;

- The Prime Minister;

- The Minister of Finance;

- The Ministers responsible for the areas involved in the acts alleged against officials and agents under their authority;

- The Cour des comptes. (Of the cases referred to the Budgetary and Financial Disciplinary Tribunal since 1 January 1971, 182 were referred by the Cour des comptes.)

In addition, the Procureur générale attached to the Cour des comptes, who serves as Procureur générale for the Budgetary and Financial Disciplinary Tribunal, may refer cases to the Tribunal on his own initiative.

Finally, the Act stipulates that, in the event of breaches of the regulations established for the commitment and payment of expenditure relating to the enforcement of judgements involving the payment of a sum of money, "the creditor may bring the matter before the Tribunal through the public prosecutor's office".

(ii) The Procureur général has the power to dismiss cases, which he is entitled to exercise at various stages of the proceedings. If, when a decision taken by a competent authority is referred to him, he believes that there are no grounds for initiating an investigation for reasons of law (time-limitation, etc.) or fact, of which he is the sole judge (for example, if the case is of little importance), he declares the case dismissed, even before a reporting judge has been appointed.

When an individual refers a case to him pursuant to the aforementioned legislative provision, the decision to dismiss the case in general signifies that the threat of it being referred to the Budgetary and Financial Disciplinary Tribunal is sufficient for the plaintiff to obtain satisfaction.

The Procureur général follows the progress of the investigation carried out by the reporting judge appointed by the President. When the investigation of a case has been concluded, the file is transmitted to him and he may once again declare the case dismissed, in the light of the outcome of the investigation.

Lastly, when the file has been transmitted to the competent ministers and they have given their opinion, the Procureur général may again either declare the case dismissed, giving the reasons for his decision, or announce that it should be referred to the Budgetary and Financial Disciplinary Tribunal, giving reasons for his conclusions. The investigation and hearing of cases are governed by rules which are very similar to those governing criminal jurisdictions. In particular, those involved in a case may have the assistance of a lawyer, and often do. The hearings are, however, not public.

Judgements of the Budgetary and Financial Disciplinary Tribunal are not subject to appeal, but an appeal on a point of law may be made to the Conseil d'Etat.

(c) Penalties

The Budgetary and Financial Disciplinary Tribunal imposes fines which may amount to the gross annual salary or wages of the official penalized. Fines of several tens of thousands of francs are not uncommon.

Fines imposed as a penalty nevertheless differ in nature from those imposed by criminal courts. Legal proceedings before the Budgetary and Financial Disciplinary Tribunal do not preclude either criminal proceedings or disciplinary action. Moreover, the law allows the Budgetary and Financial Disciplinary Tribunal to intervene with a view to initiating disciplinary or criminal proceedings.

Judgements handed down by the Budgetary and Financial Disciplinary Tribunal may be published, in whole or in part, in the Journal officiel (Official Gazette) if the Tribunal so decides. The majority of judgements are published, sometimes anonymously. Orders of nolle prosequi are not published.

INDIA

[Original: English]

[11 March 1994]

The Government of India welcomes all proposals that seek to improve and strengthen the existing mechanisms for monitoring fraud against the United Nations, and instituting proceedings against those responsible for it with a view to recovering the misappropriated funds. In this context we believe that General Assembly resolution 48/218 of 23 December 1993 is a move in the right direction. We welcome the setting up of an ad hoc intergovernmental group of experts in the legal and financial fields which will work in consultation with the relevant existing bodies towards this end, and the Government of India would be willing to extend all necessary assistance to this exercise.

The Government of India is of the view that the Member States should initially examine the possibility of extending the mandates and improvement of functioning of existing jurisdictional and procedural mechanisms which have already been established within the United Nations framework, such as the United Nations Administrative Tribunal, for addressing the cases of alleged fraud against the United Nations. The role of existing oversight mechanisms such as the Board of Auditors could also be further strengthened by ensuring accessibility to all books, records and documentation so that cases of fraud can be detected sufficiently early. In this context we also believe that the Secretariat of the United Nations must devise appropriate mechanisms to ensure that all executive heads of United Nations organizations and programmes take immediate steps to address the recommendations of the Board of Auditors and other oversight mechanisms, and to submit reports of measures taken in response to such recommendations to the General Assembly.

The Government of India also believes that the Office of Inspections and Investigations which was established last year will provide a more focused approach to the question of investigations, audit and internal controls with a view to minimizing the misappropriation of funds of the United Nations.

New mechanisms could also be explored after the ad hoc group of experts has, in conjunction with the Board of Auditors, the Joint Inspection Unit, the United Nations Administrative Tribunal and other relevant existing bodies, examined whether in the light of existing mechanisms and the possibility of their being strengthened appropriately to enhance their ability to check fraud against the United Nations, there is still need for any additional body to be established.

NETHERLANDS

[Original: English]

[10 March 1994]

The Netherlands Government welcomes the initiative of the Minister of Foreign Affairs of France on the establishment of a disciplinary court. The creation of such an instrument in connection with the strengthening of the internal and independent mechanisms for inspections and investigations is expected to provide effective preventive and punitive measures against the misappropriation of funds. The Netherlands delegation to the General Assembly has therefore supported the creation of the Ad Hoc Intergovernmental Working Group and looks forward to its recommendations. Among the issues to be considered by the Ad Hoc Group and to which the Netherlands Government attaches particular importance are the need to separate unambiguously investigative and inspection functions from, respectively, prosecution and disciplinary authority, from a legal as well as an organizational point of view. Furthermore, careful study should be made of the relationship between the legal systems of States hosting United Nations entities. The consistent application of correct legal procedures is a fundamental of any system of administrative justice. The relationship between existing mechanisms, such as the United Nations

Administrative Tribunal, and the Court should be clear and duplication and overlaps of jurisdiction should be avoided.

The Netherlands Government believes that current and new mechanisms for inspection, oversight and administrative justice deserve careful consideration. However, the main issue confronting the management of the Organization today appears to be the absence of a clear system of responsibility and accountability of programme managers. The fact that the General Assembly has recently paid particular attention to issues of oversight and inspection should not distract attention from the need to establish a sound management system. It is only on the basis of such a system that the oversight and jurisdictional instruments discussed by the General Assembly and those to be considered by the Ad Hoc Group can contribute to further improvements in the functioning of the Organization.

PANAMA

[Original: Spanish]

[2 March 1994]

The National Government of the Republic of Panama supports the initiative of the United Nations to study the possibility of establishing or strengthening the necessary jurisdictional mechanisms to recover funds and deal with cases of fraud perpetrated against the Organization.

In the view of the National Government, the ad hoc intergovernmental group referred to in paragraph 2 of resolution 48/218 should be composed of experts in criminal as well as international law, since the issues to be discussed range from the function and nature of the Organization as an international legal person to questions of competence, jurisdiction, sanctions, and a possible extradition mechanism, for which the introduction of specific provisions would be necessary.

SWEDEN
(on behalf of the Nordic countries)

[Original: English]

[9 March 1994]

The Nordic countries attach great importance to the proper handling of the financial resources of the United Nations. Consequently, we find a discussion on how to improve the management of resources and funds of the United Nations most beneficial.

The creation of a new jurisdictional mechanism within the United Nations is a major issue indeed, and should be considered with the necessary degree of caution. Our clear preference at this preliminary stage would be to examine the possibilities of optimizing the utilization of existing mechanisms, rather than creating new ones. Such an evaluation of the existing mechanisms, an

undertaking that the Nordic countries welcome, should give Member States the necessary information background for further decisions.

To that end, the Nordic countries wish to point out that cases of fraud or gross mismanagement are punishable under national laws, and the possibility of waiving immunity for United Nations officials is already enshrined in article V of the Convention on Privileges and Immunities of the United Nations. Thus, cases of fraud, and other illegal acts that have caused harm or economic loss to the Organization, could be addressed by the ordinary legal system - in the State where the act has been committed and, in many cases, in the State of which the person responsible is a national as well. The legal process could lead to penalties or duty to pay damages.

Apart from these possibilities, the Nordic countries wish to underline the importance of preventive action in order to control mismanagement and fraud. The enhancement of management and financial responsibilities through effective training would be a step in that direction. Furthermore, improved performance evaluations, strengthened accountability mechanisms for officials and the establishment of internal controls would also be to the benefit of a better management of the United Nations.

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Corrigendum

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For mechanisms read mechanism

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BRAZIL

[Original: English]

[18 March 1994]

1. The Government of Brazil welcomes General Assembly resolution 48/218 of 23 December 1993, in which it was decided that an hoc intergovernmental working group of experts in the legal and financial fields would be established to study effective measures for recovery of misappropriated United Nations funds and the criminal prosecution of those responsible.

2. This timely initiative responds to an increasing call to address a problem that is drawing a great deal of attention world wide and that might have a damaging impact on the image of the Organization. Nevertheless, as it was very aptly put in the preamble of section III of the resolution, the search for remedies to alleged cases of either fraud or misappropriation of funds should not impinge upon due process of law and full respect for the rights of the individuals concerned, including the right of defence.

3. As a first set of considerations pertaining to this initiative, it is useful to point out the fact that the United Nations, as a treaty-based Organization, should necessarily perform the tasks assigned to it in the national jurisdictions of host States. Agreements on privileges and immunities have been set up in order to avoid the Organization being subject to national jurisdictions. As a consequence, various degrees of jurisdictional immunity are granted to the Organization and to those who act on its behalf. As unilateral renunciation of the immunities of officials suspected of wrongdoing with a view to ensuring effective prosecution appears to be a very radical step, alternative approaches should be sought. It is the view of the Government of Brazil that the matter deserves in-depth consideration by the Sixth Committee, as it has a bearing on complex problems related to international law.

4. The above considerations should not prevent the ad hoc intergovernmental working group of experts from devising procedures and mechanisms that would lead to the settling of administrative questions related to financial and budgetary matters. In this respect, the Government of Brazil considers that it is worth exploring the possibility of expanding the prerogatives and mandates of existing bodies like the Administrative Tribunal that could provide the necessary framework and support infrastructure to administer cases of financial wrongdoing in the Organization.

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PROGRAMME PLANNING

Strengthening the role of evaluation findings in programme design, delivery and policy directives

Report of the Secretary-General

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I. INTRODUCTION

1. A general report is prepared biennially for the General Assembly on the question of programme evaluation in the United Nations. During the first part of its thirty-third session, the Committee for Programme and Coordination (CPC) requested the Secretary-General "to include proposals on the phases of the evaluation process, the use of evaluation as an instrument of improving management and programme planning, and the development of achievement indicators, in the report on evaluation to the General Assembly at its forty-ninth session" (see A/48/16 (Part I), para. 12). The present report contains responses to that request.

2. The central evaluation function is now operating in a new context. On 24 August 1993, the Secretary-General announced the establishment, effective 1 September 1993, of the Office for Inspections and Investigations, incorporating the Central Evaluation Unit, the Central Monitoring Unit, the Internal Audit Division and the Management Advisory Service (see ST/SGB/262). The Office is headed by an Assistant Secretary-General reporting directly to the Secretary-General. By its resolution 48/231 A, of 23 December 1993, the General Assembly transferred existing provisions for the component units to the new Office for Inspections and Investigations in its budget appropriations for the biennium 1994-1995.

II. EVALUATION ACTIVITIES

A. Studies

1. In-depth evaluations

3. In-depth evaluations are those prepared by the Central Evaluation Unit on topics recommended by CPC and endorsed by the General Assembly. Progress reports, final reports and triennial reviews of implementation are submitted to CPC.

4. The subjects of reports related to evaluation reviewed by CPC in the 1992-1993 biennium and reports to be reviewed by CPC in 1994 are shown in table 1 below.

Table 1. Evaluation related reports, 1992-1994

	Progress reports	Evaluation reports	Triennial reviews/ follow-up reports	Reports to the General Assembly on evaluation
1992	Social development	a/	Human rights	A/47/116
1993	United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)	Office of the United Nations High Commissioner for Refugees (UNHCR)	Human settlements Human rights (follow-up report)	
1994	Peace-keeping operations: start-up phase Africa: critical economic situation, recovery and development	Social development	ECA: development issues and policies	The present report

a/ At its thirtieth session, CPC decided that no in-depth evaluation of the science and technology for development programme was required (see A/45/16, paras. 365 and 366).

2. Self-evaluation

5. Self-evaluation efforts continued during the biennium 1992-1993. Such studies were to be undertaken according to the schedule annexed to document A/47/116. The actual performance is shown in table 2. A summary of self-evaluation activities and their results is regularly presented to the intergovernmental bodies of UNHCR, UNCTAD, ECA and other units with established evaluation procedures.

6. The situation shown in table 2 is not satisfactory, even though there are a number of organizational units that have had well-functioning evaluation programmes for several years. Action concerning self-evaluation is described in section III.C below.

Table 2. Self-evaluations 1992-1993

Major programme	Number of self-evaluations			
	Self-evaluations scheduled (A/47/116, annex)	Received by the Central Evaluation Unit	Rescheduled to: 1994-1995	Rescheduled to: 1996-1997
I. Maintenance of peace and security, disarmament and decolonization	5	-	3	2 a/
II. Implementation, codification and progressive development of international law	3	-	3	-
III. International cooperation for economic and social development	-	-	-	-
IV. International economic cooperation for development	18 b/	8 c/	6	4
V. International cooperation for social development	-	-	-	-
VI. Regional cooperation for economic and social development	22 d/	15 e/	4	3
VII. Human rights, fundamental freedoms and humanitarian affairs	2	-	2	-
VIII. Public information	2	2	-	-
IX. Conference services	2	-	2	-
X. Administrative services	5	1	3	1
Total	59	26	23	10

(Footnotes on following page)

(Footnotes to table 2)

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a/ As a result of restructuring, two subprogrammes will be merged into one.

b/ Self-evaluation of subprogramme 4, now renumbered as 6, of programme 14 will not be undertaken owing to lack of resources.

c/ Report on subprogramme 4 of programme 22 being finalized.

d/ Including five self-evaluations programmed by ECLAC after document A/47/116 was issued.

e/ Reports on subprogrammes 7, 14, 15 and 18 of programme 30, subprogrammes 1, 2, 4, 5 and 11 of programme 33 and subprogrammes 7 and 10 of programme 34 are being finalized.

B. Development of methodology

1. Achievement indicators

7. In the in-depth evaluations undertaken by the Central Evaluation Unit over the last five years, systematic efforts have been made to apply indicators to different programmes and types of activity. The issues addressed include external users' reliance on the United Nations programme as a source of analysis and data, the quality and distribution of outputs and the level of interest in the programme by various user groups. Table 3 provides an overall picture of programmatic issues addressed and the sources of information and indicators utilized.

8. Experience with this quite extensive use of indicators, including methodological considerations on the strengths and limitations of the computerized databases utilized, has been widely shared with programme managers and evaluators in various issues of the Evaluation Bulletin. The summer 1992 issue provides guidelines on the use of "citation analysis" for assessing the extent of utilization of United Nations publications by academics and other professionals. The spring 1993 issue of the bulletin provided technical guidance on the analysis of press coverage by using the NEXIS database, as well as a description of the approach of the Department of Public Information to analysis of press coverage. A broad base of quantitative indicators for use in United Nations evaluation has thus been identified and introduced to programme managers in the United Nations and to delegations through in-depth evaluation reports. A graphical rendering of the use of one of these indicators in respect of news coverage of United Nations activities is given in figure 1 and shows the large disparity between high profile United Nations activities, such as those on human rights and refugees, and low profile activities such as those on the ageing and the disabled. The indicator used was the percentage of wire service stories on the topic which had at least one reference to the United Nations. Analysis of samples of the texts of these news stories is needed, however, before conclusions can be drawn from such data.

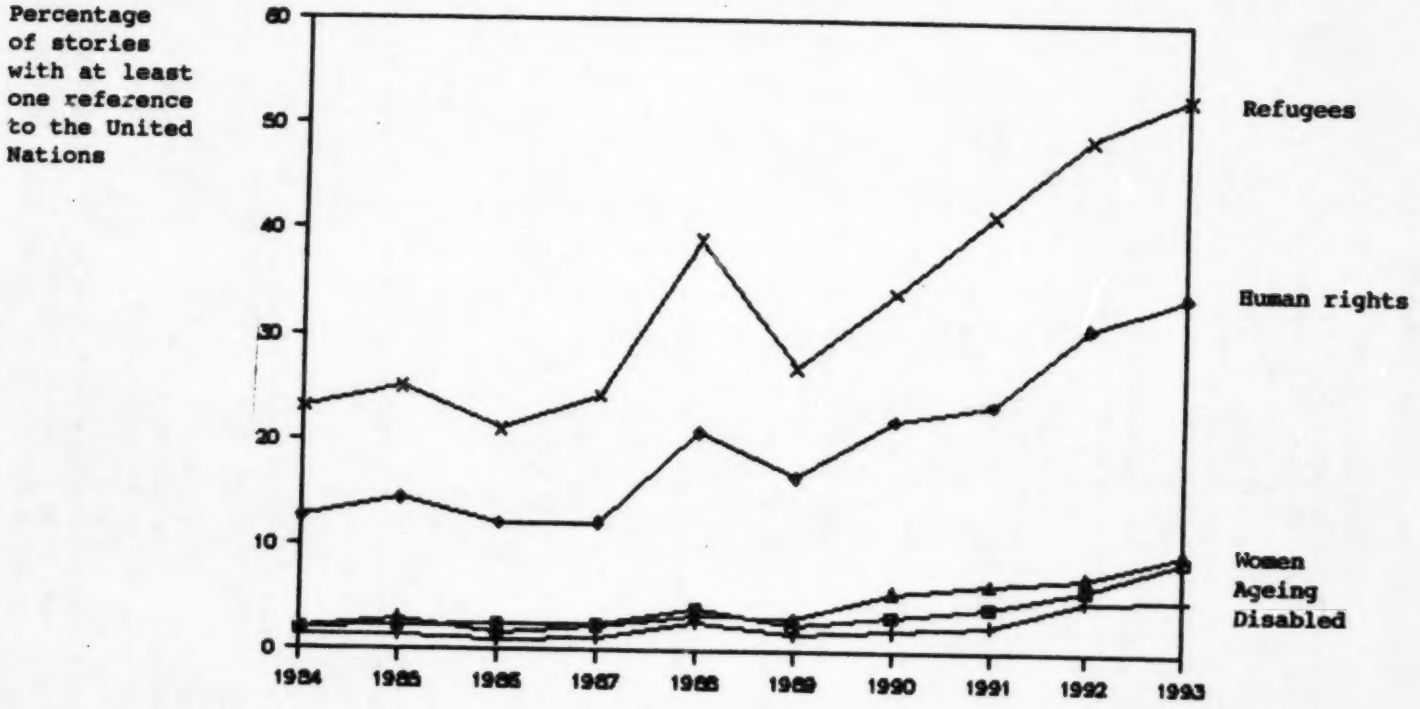
Table 3. Use of indicators in in-depth evaluations of United Nations programmes

Issue	Indicators	Sources of information	Examples shown in recent in-depth evaluation reports
1. Significance of multilateral solutions, and the United Nations role in them, for addressing problems in the programme area	Proportion of all international treaties and agreements in the area that were the result of: (a) multilateral/ bilateral negotiations (b) United Nations activities (c) activities of unit being evaluated Increase in number of signatories to agreements	United Nations Treaty Information System: computerized database and ST/LEG/SER.E/4	Human rights (E/AC.51/1989/2, table 3), Disarmament (E/AC.51/1989/5, tables 2-4), Disarmament (E/AC.51/1991/2, table 2)
2. Reliance on the United Nations programme as a source of analysis, data and information	Number of items in bibliographies or citations of data and analysis in: (a) documents of other United Nations entities (b) non-United Nations published material or databases	References in reports by other United Nations entities, UNBIS/CATFILE, DIALOG/SSCI, specialized databases	Development issues and policies (E/AC.51/1989/4, tables 2, 3, 5, 6, 7, 8 and 13), Disarmament (E/AC.51/1989/5, tables 5-7), Human rights (E/AC.51/1989/2, table 4), Development issues and policies (E/AC.51/1991/5, annex I, tables 1-4), Social development (E/AC.51/1992/2, table 7)

Issue	Indicators	Sources of information	Examples shown in recent in-depth evaluation reports
3. Quality of outputs and services (timeliness of data/information, services, accuracy, analytical rigour, adequacy of policy options, applicability of new concepts and methodology, objectivity, adequacy of services/ information, etc.)	Number/percentage of positive/negative assessments made on quality and effectiveness of outputs and services, etc.	Responses to evaluation questionnaires (or structured interviews) by Member States, NGOs, independent researchers and non-United Nations professionals, number of citations in sources listed in item 2 above, surveys of readers	Human settlements (E/AC.51/1990/2, paras. 80-94), Human rights (E/AC.51/1989/2, table 4), Disarmament (E/AC.51/1991/2, annexes I-III, V and VI), UNHCR (E/AC.51/1993/2, paras. 41-42), Human rights (E/AC.51/1993/5, annex), Human rights (Background paper submitted to CPC)
4. Distribution of outputs	Number/percentage of targeted users, number/increase in sales, number/increase in requests for information, films, videos etc. received by UNICs, number/increase in responses by unit to requests for information, briefings, etc.	Mailing lists, OCS/Sales Section, DPI/UNICs, official distribution, unit's own records for requests for information/ briefings	Development issues and policies (E/AC.51/1989/4, tables 4 and 12), Disarmament (E/AC.51/1991/2, table 4)
5. Level of interest of NGOs	Number of NGOs participating in intergovernmental meetings, number of affiliated NGOs specializing in issue addressed, number of NGO statements at meetings	Official reports of intergovernmental meetings, roster of NGOs	Human rights (E/AC.51/1989/2, para. 20), Human settlements (E/AC.51/1990/2, annex III), UNHCR (E/AC.51/1993/2, annex)

Issue	Indicators	Sources of information	Examples shown in recent in-depth evaluation reports
6. Level of press coverage	Number of references to programme or output in world newspapers, wire services, broadcasts, magazines, etc.	Press clippings, stories from newspapers, wire services and journals in NEXIS database	Human rights (E/AC.51/1989/2, table 5), Development issues and policies (E/AC.51/1989/4, tables 9 and 10), Disarmament (E/AC.51/1989/5, table 8), Disarmament (E/AC.51/1991/2, table 3 and annex IV), UNHCR (E/AC.51/1991/4, table 3), Social development (E/AC.51/1992/2, table 8), UNHCR (E/AC.51/1993/2, para. 47)
7. Level of interest of general public	Sales of publications, public inquiries, requests to UNICs (for films, TV, videos, published material, etc.), requests for group briefings	OCS/Sales Section, DPI/Programme Evaluation and Communications Research Unit, unit's own records	Human rights (E/AC.51/1989/2, table 6), Development issues and policies (E/AC.51/1989/4, table 11), Disarmament (E/AC.51/1989/5, table 9)

Figure 1. Indicators of selected United Nations activities in wire service stories



Source: E/AC.51/1991/4, table 3 updated; E/AC.51/1992/2, table 8.

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2. Training and related activities

9. The Central Evaluation Unit, in collaboration with the Training Service of the Office of Human Resources Management, has developed a series of workshops on self-evaluation. Intensive one-week training workshops on evaluation have now been given at all major duty stations: three at Headquarters during 1989, one each at Bangkok (ESCAP), Geneva and Vienna, during February 1990, at Addis Ababa (ECA), in October 1990, at Santiago (ECLAC), in August 1992, and at Amman (ESCWA), in June 1993.

10. The participants in the workshops have been mainly programme managers responsible for implementing subprogrammes that were scheduled for self-evaluation. While the focus of the training workshops was on techniques for the conduct of self-evaluation, the linkage between evaluation and the programme planning cycle was also emphasized so as to draw attention to the fact that evaluation findings should be fed back into planning, programming, implementation and monitoring. The training workshops also brought to the attention of participants basic terminology, concepts and procedures for effective programme management and the need for efforts to be more result-oriented.

11. As indicated in other sections of the present report, the Evaluation Bulletin has been utilized as a method of promoting knowledge of evaluation techniques and good managerial practices throughout the Organization.

3. Evaluation as an instrument for management

(a) The conception in United Nations regulations

12. In the United Nations, the programme planning cycle begins with the formulation of the medium-term plan, which is a translation of the legislative mandates into programmes. The plan sets out the general orientation of each major programme and establishes the objectives to be achieved and the strategies to be followed. The plan serves as the framework, in the second phase of the cycle, for the formulation of the biennial programme budget, which aims at implementing the strategies in the plan. The third phase, programme monitoring, monitors the implementation of programmed activities to determine whether outputs were delivered as programmed or were postponed, reformulated or terminated, and whether new outputs were added. Evaluation, the last phase in the cycle, is required under Regulation 6.1 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation:

> "(a) To determine as systematically and objectively as possible the relevance, efficiency, effectiveness and impact of the Organization's activities in relation to their objectives;
>
> "(b) To enable the Secretariat and Member States to engage in systematic reflections, with a view to increasing the effectiveness of the main programmes of the Organization by altering their content and, if necessary, reviewing their objectives."

Evaluation under this conception is intended to determine the extent to which a completed activity contributed to the achievement of the objectives of the medium-term plan, and the factors responsible for success or failure. It was hoped that evaluation could, by this means, identify problem areas that needed to be addressed, and also provide lessons of good practice from well-designed and well-run activities, which could be shared and used elsewhere.

13. The findings of both self-evaluation and in-depth evaluation should result in changes in programme design and budget allocations. With respect to findings of self-evaluation, the programme manager could effect required changes in resource allocation and utilization within his section or division and in the design of individual outputs. More fundamental changes would need to be proposed through established procedures as part of the preparation of the programme budget or the medium-term plan and its revisions. Those proposals would then be reviewed by the intergovernmental bodies concerned. For in-depth evaluations, the evaluation report, and the conclusions and recommendations of the CPC on it, is brought to the attention of the appropriate specialized intergovernmental body for its consideration.

(b) Evaluation in practice

14. The above conception of evaluation and its place in the United Nations programme planning cycle was developed in the mid-1970s and reflects ideas prevalent at that time. Since then, practice has forced a re-examination of older conceptions of public sector management techniques in general and of evaluation in particular.

15. In a study submitted to CPC in the spring of 1992 (E/AC.51/1992/CRP.1), attention was drawn to the limitations of traditional approaches to evaluation, which emphasized goals and objectives. In these approaches, evaluation must attempt to investigate the effects of organizational actions in a multi-causal world in which the actions of the United Nations may be only a small part of the way a national or even an international problem is addressed. The study pointed out that the professional literature on evaluation practice recorded problems with goal-based approaches in many real-life situations because organizational goals are frequently vague and ambiguous, established more for symbolic political reasons than as guides to action. In addition, there is often no clear means of measuring impact, and the attempt to do so requires considerable time and often yields unsatisfactory results. Thus, the typical criticism of traditional approaches to evaluation has been that the needs of decision makers were not met, that evaluation products were not timely and that the information produced was only marginally useful. As a result, the utilization of such evaluations was poor.

16. In response to criticisms of goal-based external evaluations, different approaches have been advocated by evaluators interested in increasing the utilization of evaluation findings. An article in the summer 1992 issue of the Evaluation Bulletin (pages 14-17), described some of the new roles of evaluators in organizations, including those of systems generalists and expert troubleshooters. Studies have shown that in practice over the last 10 to 15 years the evaluator's role has shifted away from the traditional focus on objectives to more of a problem-solving approach to evaluation.

17. In an interview in the fall 1992 issue of the Evaluation Bulletin (page 8), the Under-Secretary-General for Administration and Management made a number of points similar to those mentioned above. He stated that "evaluation studies should be primarily investigations into problems, issues and areas that political bodies and senior management are concerned about. This is an absolute prerequisite to effective utilization. Beyond this, senior management and intergovernmental review bodies must be seen to take the evaluation studies seriously and to be committed to bringing about changes based on their recommendations. The results of these studies should not only affect budgetary and other managerial and political decisions on the programme, but be seen to affect them as well."

18. By and large, the experience of the United Nations with evaluation has echoed that of the outside world; traditional approaches focusing on objectives have often yielded only minor insights because the objectives were too vague. The analysis required for an evaluation of either effectiveness or impact must be done in practice mainly by collecting opinions through questionnaires. This technique is time-consuming. The results are usually ambiguous. In the case of results relying on questionnaires, the conclusions are based on the small and unscientific sample of those who, after reminders, actually respond. The problem-oriented approach utilized in the report on the Office of the United Nations High Commissioner for Refugees (UNHCR) last year, which was supported by results from questionnaires but not based on them, yielded many practical recommendations. The CPC "commended the Secretariat for the excellent quality of the report" (A/48/16, Part I, para. 27). A similar approach has been adopted for the evaluation of the start-up phase of peace-keeping operations. Both these reports attempt to focus on the practical concerns of managers and policy decision makers rather than investigate effects in relation to objectives.

19. A problem-oriented managerial approach to evaluation has also been taken in many articles in the Evaluation Bulletin. In the 1992-1993 biennium there have been articles on managerial issues that have been highlighted by in-depth evaluations such as:

(a) Raising user awareness of United Nations publications;

(b) Reaching users by use of customized mailing lists;

(c) Using electronic networks for information exchange;

(d) The role of NGOs in United Nations programmes.

20. Perhaps the main lesson to learn from the experience with evaluation in the United Nations is that there should be no rigid conception of what an evaluation should do or of what methodologies should be used. Different programmes should be expected to require very different approaches and methodologies for their evaluation. A practical problem-oriented approach, if feasible, is the most likely to yield usable results. The CPC request to the Secretariat in 1993 to evaluate the "start-up phase" of peace-keeping, by focusing the evaluation on a problem of concern to Member States, is probably a good model to follow whenever possible.

4. Phases of the in-depth evaluation process

21. An in-depth evaluation usually follows a six year cycle. Following the selection by CPC of the programme to be evaluated, the first phase involves the preparation by the Central Evaluation Unit and submission to CPC of a Progress report which includes preliminary findings based on available information and proposals for the scope, methodology and issues to be addressed in the final report. Usually the time taken for this basic study is one year. After CPC has decided on the scope of the evaluation and the issues to be addressed and, in the case of questionnaires to Member States, aspects of the methodology as well, a two-year period is usually required to undertake the in-depth study and to prepare and submit to CPC the final in-depth evaluation report. Three years after CPC has made recommendations based on the final report, a triennial review is conducted to assess progress in the implementation of the recommendations of CPC. In some cases further follow-up reports may be requested by CPC. CPC has, however, occasionally found the progress report sufficient for its needs, as was the case with the reports on science and technology in 1990 and on the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) last year. The two progress reports submitted to CPC this year contain findings and related recommendations, along with proposals for further study. The cycle for in-depth evaluations could be shortened by two years by eliminating the progress report phase.

III. STRENGTHENING THE ROLE OF EVALUATION

A. Office for Inspections and Investigations

22. As pointed out in the introduction to the present report, the central evaluation function is now operating as part of the Office for Inspections and Investigations, which has the responsibility of providing comprehensive audit, inspection and investigation services to the Organization (see ST/SGB/268). To carry out its functions, the Office is at present being organized to include an Audit and Management Control Division, a Central Inspection and Monitoring Unit, an Investigation Unit and a Central Evaluation Unit. Evaluation is thus being conducted in a new context, in which programme performance and self-evaluation can be reviewed together as part of comprehensive inspections of organizational units.

23. This action of consolidating the oversight functions of the Organization in the new office has led to three changes that have strengthened the central evaluation and programme monitoring functions. There has been a reduction in the hierarchical lines of communication. The Central Monitoring Unit and the Central Evaluation Unit were previously in the Programme Planning and Budget Division. This meant that the chiefs of those units reported to the Director of the Budget who, in turn, reported to the Controller who, in turn, reported to the Under-Secretary-General for Administration and Management who, in turn, reported to the Secretary-General. Each of these intermediary senior officials had a large range of competing claims on their attention and a large range of managerial responsibilities other than the supervision of oversight functions. The new Office reports directly to the Secretary-General so that the line of communication between those responsible for oversight functions and the Chief

Administrative Officer of the Organization has been drastically shortened. In addition, and even more important than this, the head of the Office has no competing claims on his attention; his full attention can be devoted to the oversight functions of the Organization and their problems, and the problems that they uncover. The second effect of consolidating oversight functions concerns the Internal Audit Division's investigatory powers. With their merger into the new Office, these powers have now in effect been granted to all units in the Office.

B. In-depth evaluations

24. A risk analysis for evaluation activities has been undertaken using an assessment instrument also used as a guide for audit, monitoring and inspection activities. The application of this instrument can help ensure an integrated approach to all oversight functions. The assessment was applied to a "universe" consisting of all activities under the responsibility of the Secretary-General. Each budget section in this universe was scored against standard criteria for the risk factors. Sections that were considered as more risky, or that had not been recently subject to oversight review, were rated higher than those of less risk.

25. The model used three factors: "size", "visibility" and "previous findings". The size factor measures potential risk by the volume of financial resources controlled. The visibility factor measures political aspects of risk, and the previous findings factor reflects either the lack of prior assessment or the extent of difficulties.

26. The programmes with very high ratings were:

(a) Peace-keeping operations and special missions;

(b) Environment and human settlements;

(c) United Nations High Commissioner for Refugees;

(d) United Nations Relief and Works Agency for Palestine Refugees in the Near East;

(e) Department for Humanitarian Affairs;

(f) Public Information.

27. Peace-keeping operations and special missions. This section scored high on all three factors. It is the subject of an in-depth evaluation report (E/AC.51/1994/3) to be submitted to CPC this year at its thirty-fourth session. The report contains recommendations for improvement in the ability of the United Nations to learn from its experience in peace-keeping and to develop a ready capacity to act for the electoral, information, human rights, civilian police and military components of complex missions. The report also recommends that overall direction and coordination and the humanitarian component, as well as support functions such as the planning, financing, personnel, logistics,

procurement and training aspects, of United Nations peace-keeping operations be addressed in a follow-up study to be conducted during the last half of 1994 and reviewed by CPC in the spring of 1995. The report also suggests that other aspects of peace-keeping, beyond the start-up phase, could be evaluated.

28. Environment and human settlements. This section has a high volume of resources, and is assessed as having medium-level visibility; the environment component lacks any previous evaluation review. The triennial review of the in-depth evaluation of human settlements (E/AC.51/1993/4) was examined by CPC in 1993; the Committee endorsed the recommendations put forward by the triennial review (A/48/16, Part I, para. 19). CPC has tentatively listed environment for in-depth evaluation in 1997, with a progress report due in 1995 (see A/48/16, Part I, para. 35). A final decision on this subject will be made by CPC at the first part of its thirty-fourth session.

29. Office of the United Nations High Commissioner for Refugees. This section scored high on the resource and visibility factors. It was the subject of a recent in-depth evaluation (E/AC.51/1993/2), which was submitted to the Executive Committee of UNHCR in October 1993, together with the conclusions and recommendations of CPC on it (A/48/16, Part I, paras. 25 and 26). A triennial review will be conducted in 1996, and intermediate reviews of compliance in 1994 and 1995.

30. United Nations Relief and Works Agency for Palestine Refugees in the Near East. This section scored high on both resources and visibility. It was the subject of a progress report (E/AC.51/1993/3) in 1993. CPC reviewed the report, noted that it met the requirements set for it and decided that no further action in respect of the in-depth evaluation of UNRWA was necessary (A/48/16, Part I, para. 23). The nature of UNRWA's activities is undergoing a significant transformation as a result of changes in the middle eastern political environment.

31. Department of Humanitarian Affairs. This section scored high on visibility and lacks previous review. There is also significant interest by Member States in humanitarian issues and operations and their relation to peace-keeping operations. CPC tentatively listed the Department of Humanitarian Affairs for in-depth evaluation in 1997, with a progress report due in 1995 (A/48/16, Part I, para. 35). A final decision on this subject will be made by CPC at the first part of its thirty-fourth session.

32. Public information. This section scores high on visibility. The last in-depth evaluation of this programme was reviewed by CPC in 1983, with a triennial review in 1986 and a follow-up report in 1988. An effective public information programme is a significant aspect of all United Nations activities and an important prerequisite for the success of high profile operations. A negative public perception also detracts from the general effectiveness of the Organization. Consequently, the Department of Public Information is potentially an important focus for evaluation but is not currently scheduled for in-depth evaluation.

33. It will be recalled that the Secretariat submitted to CPC at the first part of its thirty-third session a note on topics for future in-depth evaluations

(E/AC.51/1993/6). CPC recommended to the General Assembly (A/48/16, Part I, para. 35) that the following programmes be subjected to in-depth evaluations, scheduled as follows:

1994: Social development

1995: Peace-keeping operations: start-up phase

1996: Africa: critical economic situation, recovery and development

1997: Department of Humanitarian Affairs or environment

The 1994 progress report on Africa: critical economic situation recovery and development, proposes that the final report, due in 1996, have a system-wide coverage and be conducted by the Joint Inspection Unit (JIU) (E/AC.51/1994/4, para. 44).

34. In the note on topics for future in-depth evaluations, the Secretariat also recommended two other areas for in-depth evaluation for subsequent years:

(a) International law, in particular the subprogrammes on the progressive development and codification of international law, and on the progressive harmonization and unification of the law of international trade (1998);

(b) Statistics, consisting of the subprogrammes on developing statistical concepts and methods for use by Member States, on applying advanced technology in collecting, processing and disseminating integrated statistics, on collecting, compiling and disseminating international statistics and on coordinating international statistical programmes (1999).

C. Self-evaluation and performance monitoring

35. To date, six programme performance reports have been prepared within the framework of Regulations 5.1, 5.2 and 5.3 of the Regulations and Rules Governing Programme Planning. The first purpose of these reports was to determine the degree of implementation of the activities indicated in the programme budget, by comparing the number of outputs programmed with those implemented. The second purpose was to explain the changes and modifications which occurred during the implementation, reflect their magnitude and indicate the respective roles of the Secretariat and legislative bodies in influencing these changes.

36. Since the inception of the exercise, CPC has regularly called for improvements in reporting programme performance. While over the years the reporting has indeed improved in terms of its coverage and the details provided, it has still fallen short of addressing the two basic concerns of Member States. The first relates to the imperfect method of measuring implementation by comparing the number of outputs programmed with the number of those implemented, treating equally outputs that are very different in terms of their call on resources and their relative importance to the objectives of the programme. The second concern which Member States have been expressing relates to the quantitative and rather descriptive nature of the reports and the absence of

analysis of the results which the activities implemented had achieved throughout the biennium under consideration.

37. Two main obstacles have made it difficult to address these shortcomings. First and foremost is the programme budget itself, which has been conceived and formulated in terms of outputs and services to be delivered, with some indicative information on resources at the subprogramme level but without reference to any expected outcome at the end of the biennium. This formulation has been dictated by considerations of practicality. The second obstacle is that the concepts of monitoring and self-evaluation have not been generally perceived by programme managers as essential management tools for enhancing the economy and efficiency of implementation and assessing the results achieved. Consequently, reporting on programme performance has been undertaken against a limited frame of reference which does not facilitate a more meaningful measurement of implementation or an analysis of performance.

38. In the circumstances, a fresh approach is needed. The monitoring function in each organizational unit should be conceived as part of an internal oversight mechanism responsible for the efficiency and effectiveness of programme performance. To meet this end, a proper system of information gathering for oversight purposes must be established. The information gathered should be of a qualitative as well as a quantitative nature to enable analytical assessment of performance and results achieved. Such information is essential for managerial and reporting purposes. The setting up of such a system requires combining, in one single function, the existing data gathering exercise for reporting programme implementation with the self-evaluation exercise.

39. The idea of utilizing the findings generated by the self-evaluation system in the programme performance report is not new. A similar proposal was made by JIU in its report entitled "Reporting on the performance and results of United Nations programmes: monitoring, evaluation and management review components" (A/43/124, sect.1). This was followed by a report of the Secretary-General on the matter (A/44/233) outlining the difficulties and limitations of utilizing the self-evaluation findings in reporting performance. These difficulties centred around the timely availability of the necessary information and the coverage of the self-evaluation exercise. These difficulties are inherent in the exercise as it has been conducted to date. It would seem necessary, therefore, gradually to transform the self-evaluation exercise into a performance evaluation function that generates data and analytical information on a routine and comprehensive basis for the purpose of providing management with the means to assess the success of the various activities implemented during the biennium, determine the relevancy of their outcome to the objectives and contribute to a system of accountability. As shown in table 3 above, there are many indicators that can be utilized as part of self-evaluation and management oversight systems in the United Nations. Once readily available in each organizational unit, such information would become an integral part of central performance reporting to Member States.

40. In the light of the above, the role of the Central Monitoring Unit has been strengthened by incorporating it within a broad inspection function in the context of the overall responsibility of the Office for Inspections and Investigations. The new Central Inspection and Monitoring Unit will continue to

assume the responsibilities prescribed in Regulations 5.1, 5.2 and 5.3 of the Regulations and Rules Governing Programme Planning. In addition, it will develop guidelines for overseeing programme preparation, monitoring implementation and assessing performance. It will regularly inspect and monitor the implementation of these guidelines to review how programme managers, throughout the Organization, collect and assemble information on their respective programmes in order to keep apprised of progress, analyse performance, enhance the economy and efficiency of implementation and establish adequate accountability systems.

41. The Unit will also conduct ad-hoc inspections of programmes and organizational units where there are good reasons to believe that programme oversight is ineffective and the potential for a wasteful utilization of resources is great.

42. The annex to the previous report on strengthening the evaluation function (A/47/116) contained a detailed schedule of self-evaluations for the 1992-1997 medium-term plan period. This schedule and the overall approach to self-evaluation will need to be adjusted as the new procedures merging self-evaluation and monitoring are developed.

IV. RECOMMENDATIONS

43. Recommendation 1, in-depth evaluation cycle: The current evaluation cycle should be shortened. The first phase of the cycle should result in an evaluation review report containing findings and recommendations. If necessary, proposals for a follow-up evaluation report would be made in the review report for consideration by CPC. The triennial review should be replaced by the annual compliance reviews contained in the report of the Secretary-General to the General Assembly on the work of the Office for Inspections and Investigations. More detailed compliance reports could still be undertaken by the Central Evaluation Unit, at the request of CPC.

44. Recommendation 2, schedule of in-depth evaluations: CPC may wish to recommend to the General Assembly that in-depth evaluations be undertaken as follows:

1995: Peace-keeping operations: start-up phase (Part II);
Department of Humanitarian Affairs;

1996: Department of Public Information;
Peace-keeping operations: termination phase and link to development;

1997: Environment
Statistics

45. Recommendation 3, performance evaluation: Monitoring and self-evaluation should be viewed as an integral part of the managerial oversight responsibility, which requires the generation, on a routine basis, of data and analytical information on implementation and results achieved, including the use of

achievement indicators where appropriate. General guidelines on the managerial oversight function, including methods for data collection and information gathering and their coverage, will be prepared centrally for the guidance of programme managers.